Embracing a Growth Mindset

COMMERCE BANCSHARES, INC.

INVESTOR UPDATE

3rd Quarter 2020

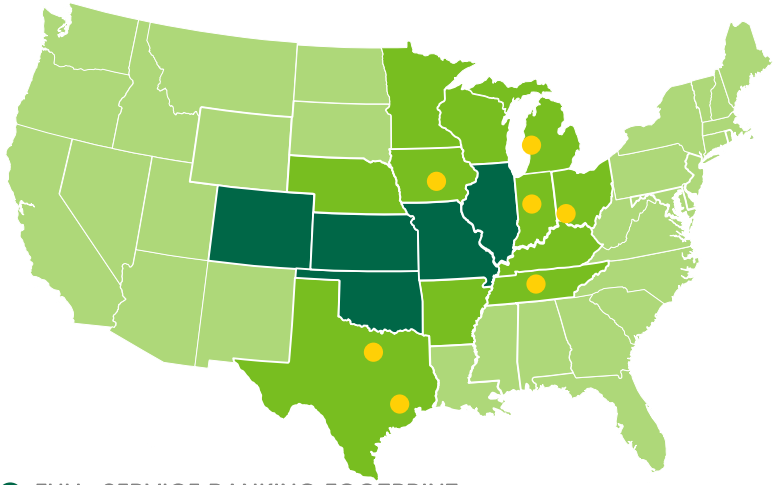
Commerce Bancshares, Inc.

CAUTIONARY STATEMENT

A number of statements we will be making in our presentation and in the accompanying slides are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements of the Corporation's plans, goals, objectives, expectations, projections, estimates and intentions. These forward-looking statements involve significant risks and uncertainties and are subject to change based on various factors (some of which are beyond the Corporation's control). Factors that could cause the Corporation's actual results to differ materially from such forward-looking statements made herein or by management of the Corporation are set forth in the Corporation's 2019 Annual Report on Form 10-K, 2ND Quarter 2020 Report on Form 10-Q and the Corporation's Current Reports on Form 8-K.

COMMERCE BANCSHARES

155 YEARS IN BUSINESS



FULL-SERVICE BANKING FOOTPRINT

159 full-service branches and 358 ATMs
St. Louis • Kansas City • Springfield • Central Missouri
Central Illinois • Wichita • Tulsa • Oklahoma City • Denver

COMMERCIAL OFFICES

Cincinnati • Nashville • Dallas • Des Moines • Indianapolis
Grand Rapids • Houston

U.S. PRESENCE

Extended Commercial Market Area
Commercial Payments Services
Offered in 48 states across the U.S.

$31.5
BILLION IN ASSETS

43RD
LARGEST U.S. BANK BASED ON ASSET SIZE[1]

$6.3
BILLION IN MARKET CAPITALIZATION

16TH
LARGEST U.S. BANK BASED ON MARKET CAPITALIZATION[1]

$54.7
BILLION IN TRUST ASSETS

17TH
LARGEST AMONG U.S. BANK-MANAGED TRUST COMPANIES BASED ON AUM[1]

a1
BASELINE CREDIT ASSESSMENT[3]

$25.7
BILLION IN TOTAL DEPOSITS

$16.5
BILLION IN TOTAL LOANS[2]

$9.1
BILLION IN COMMERCIAL CARD VOLUME as of 12/31/19

8.9%
RETURN ON AVERAGE COMMON EQUITY
as of YTD 09/30/2020

22ND
YTD ROACE FOR THE TOP 50 U.S. BANKS BASED ON ASSET SIZE[1]

MOODY'S RANKS COMMERCE AMONG THE TOP 6 BANKS IN THE COUNTRY

Source: [1]S&P Global Market Intelligence as of 06/30/2020, does not include asset management or specialty finance banks; [2]Includes loans held for sale; [3]Moody's Credit Opinion – Commerce Bancshares, Inc., September 16, 2020, Baseline credit assessment reflects a bank's standalone credit strength; company reports and filings information as of 09/30/2020 unless otherwise noted.

SUPER-COMMUNITY BANK PLATFORM

A consistent strategy with a long-term view

Community Bank

- Award-winning customer service
- Focus on the full client relationship
- Core values embraced by team members
- Quickly adapt to customer needs and changing preferences

Customer relationship-based:
Challenge Accepted.®

High-performing teams and engaged workforce

Long history of top quartile credit quality metrics

Investment in distinctive, high-return businesses

Focus on operational efficiencies

Disciplined approach to acquisitions

Super-Regional Bank

- Sophisticated payment system capabilities
- Broad consumer product offerings
- Private Banking; Trust; Capital Markets
- Shareholder driven and strong financial performance
- Competitive on unit costs

OUR STRONG CULTURE IS THE KEY DRIVER TO OUR LONG-TERM SUCCESS

At Commerce, our core values shape the way we live and work.

V	We have a long term **V**iew
O	We collaborate as **O**ne team
I	We act with **I**ntegrity
C	We are **C**ustomer focused
E	We strive for **E**xcellence

- We make decisions today that will sustain us well into the future.
- We see diversity and inclusion as an imperative and seize opportunities to build teams that reflect all sides of an issue.
- We value integrity, we recognize our first duty is to conduct business in ways that merit trust and confidence, and that adhere to the highest standards of governance and ethics.
- We value relationships, our customers are our primary focus.

A culture formed 150+ years ago to be a force for good in our region and our industry



Commerce Bancshares, Inc.

BEYOND FINANCIALS

Supporting each other, our customers and our communities

More than 500 nonprofit organizations supported by Commerce team members through leadership roles by serving on boards

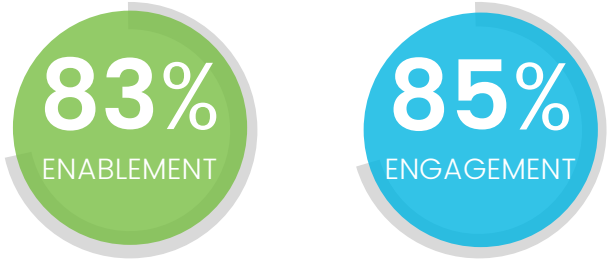
OUTSTANDING
community reinvestment rating
from the Federal Reserve for more than
20 years

$22 million
of charitable investments advised by Commerce Trust Company[1]

> "As a socially responsible corporate citizen, we continuously seek opportunities to make a difference."

2020 Engagement & Enablement[2]

Consistently scoring above the U.S. High Performance and U.S. Financial Services norms for engagement, enablement and effectiveness



[1] Includes investments on behalf of the Commerce Bancshares Foundation and private foundations that have engaged the bank as trustee.
[2] The Korn Ferry Hay Group – 2020 survey results

Commerce Bancshares, Inc.

OUR COMMITMENT TO INCLUSION, DIVERSITY AND EQUITY

Our longstanding approach of "doing what's right" continues to guide our focus on our team members, customers and communities

Building a place to thrive and grow professionally

Examples of how we continue to build awareness

- **Observance** and **celebration** of cultural heritage months
- **Mentorship programs** to support professional development of diverse leaders and team members
- **Unconscious bias** and **sensitivity training**
- **Community partnerships** to advance inclusive efforts
- **Inclusion & Diversity Councils** and **Employee Resource Groups** to help us better understand the evolving needs of our team members, customers and communities
- **Feedback tools** to hold us accountable and help us see if we're trending in the right direction

A culture that celebrates inclusion and diversity

Commerce offers a variety of internal resource groups, mentoring programs and networking opportunities

EMERGE

Connecting young professionals

567+ members

RISE

Empowering women

1,290+ members

New groups launched to support diversity at Commerce

PRIDE

Engaging LGBTQIA+ community

348+ members

VIBE

Valuing multi-cultural perspectives

337+ members

RECENT RECOGNITION



Commerce was named to **Newsweek's America's Best Banks** list for **Best Customer Service**. The award recognizes banks with the **fewest problems** reported to the Consumer Financial Protection Bureau, a **timely response rate** to complaints, a **helpful mobile app** and a **variety of dedicated customer service** lines.



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Commerce Bank was named among **America's Best Banks 2020** by *Forbes*. Ranked in the **top quartile nationally** and **2nd Missouri-based bank**. Since the first list debuted, **Commerce has consistently ranked near the top** among the highest-performing institutions.



Commerce Bank was selected as **one of 20 best-in-class banks in Bank Director's** 2019 RankingBanking study. We **placed third overall in the Midwest** and **ranked first in the Midwest** for Best Branch Network Strategy, Best Core Deposit Growth Strategy and Best Retail Strategy.



Commerce Trust Company received **Highly Commended status for Best Private Wealth Manager** in client services with assets over $5 billion. PAM Awards recognize top investment professionals, wealth advisors, legal firms, consultants and other key service providers operating within the private asset management industry.



Commerce was named **Outstanding Employer 2019** by Korn Ferry[1]. The award publicly recognizes employers that have achieved **best-in-class levels of engagement and enablement**. **Commerce is one of only three companies** in the U.S. to receive this global award.

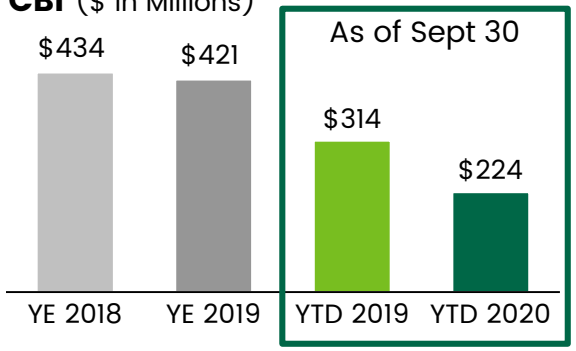
Commerce Bancshares, Inc.

[1]The Korn Ferry Hay Group – based on 2018 survey results

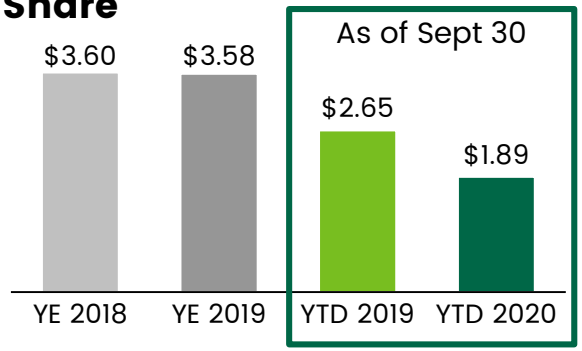
Q3 FINANCIAL RESULTS

FINANCIAL PERFORMANCE VS. PRIOR YEAR

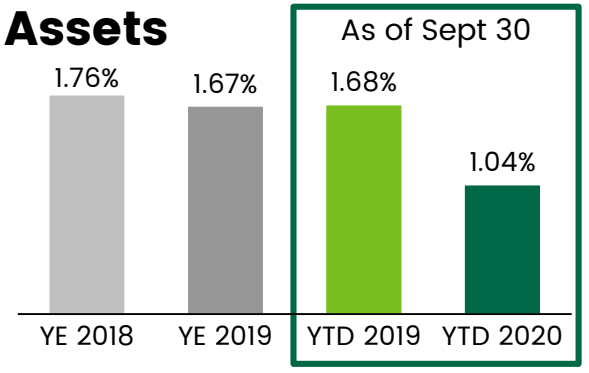
Net Income Attributable to CBI ($ in Millions)



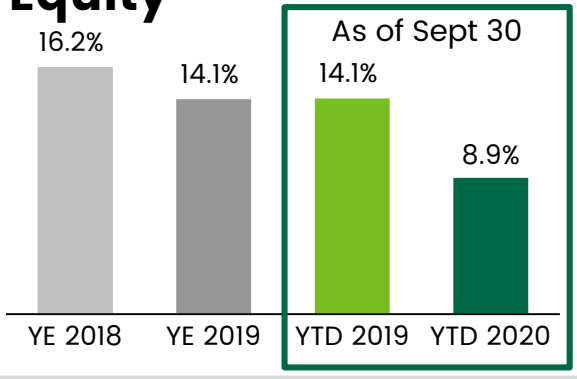
Earnings per Common Share



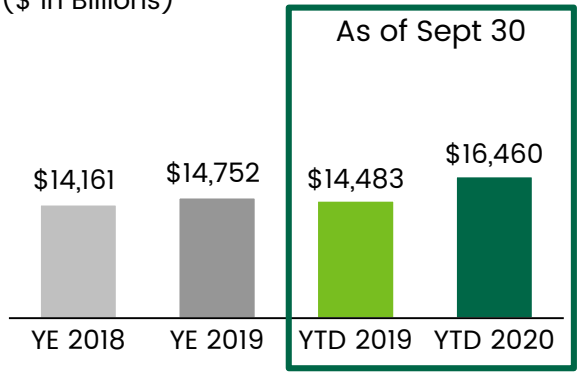
Return on Total Average Assets



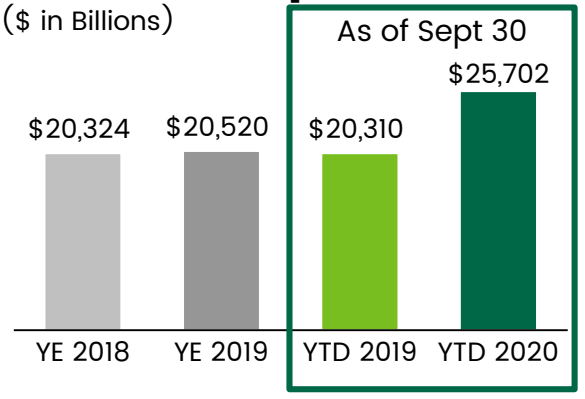
Return on Average Common Equity



Period End Loans ($ in Billions)



Period End Deposits ($ in Billions)



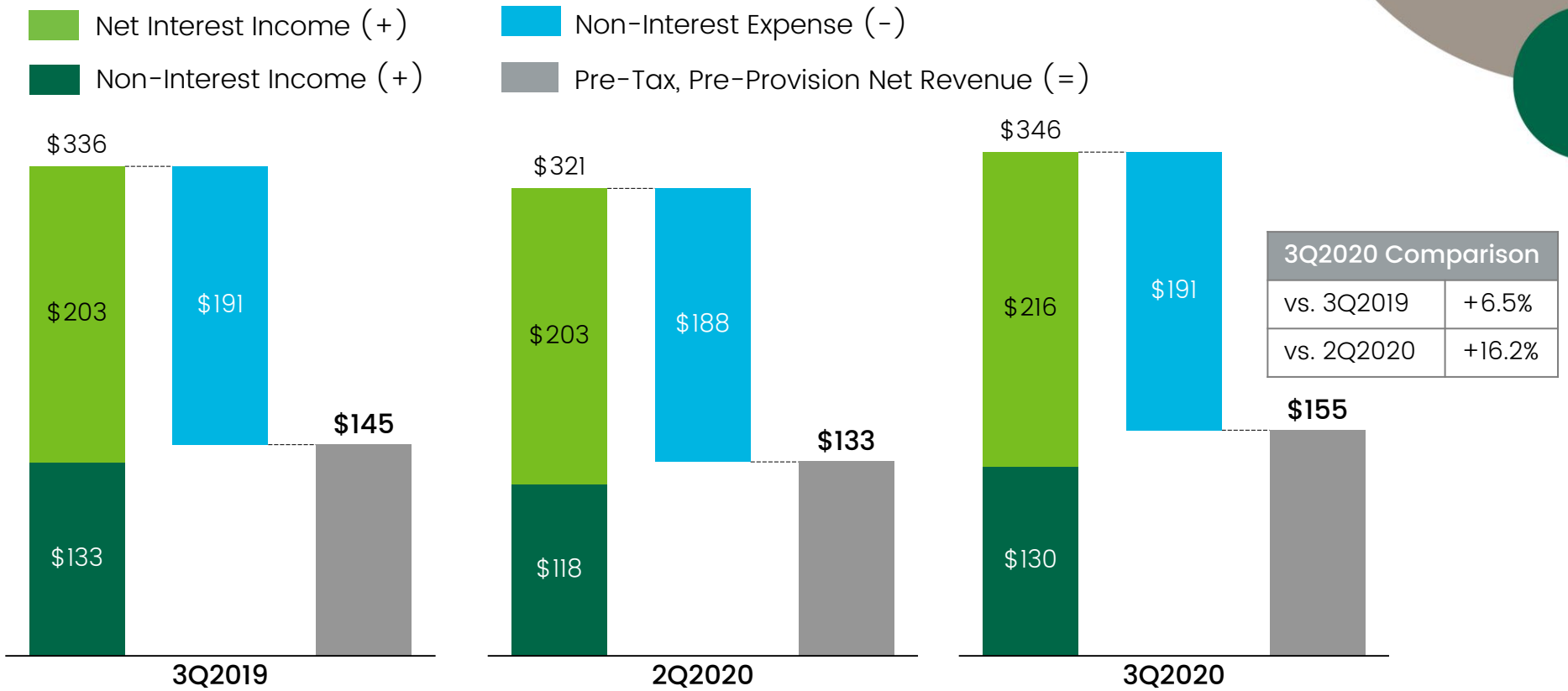
As of September 30, 2020

DRIVERS OF 3RD QUARTER 2020 EARNINGS

Net Interest Margin	NIM increased 3 bps to 2.97% from 2.94% in the previous quarter, driven by higher average balances of investment securities and loans, partially offset by lower loan yields. Interest-bearing deposit costs decreased 7 bps from the previous quarter.
Fee Income	Fee income decreased 2.4% vs the same quarter in the prior year, mainly due to lower bank card fees, partly offset by growth in loan fees and sales.
Non-Interest Expense	Expense was down slightly compared to the same period last year, driven by lower travel and entertainment, marketing, and supplies and communication expense, partly offset by higher salaries and employee benefits expense.
Pre-Provision Net Revenue (PPNR)[1]	Excluding the provision for credit losses and securities gains, PPNR grew 16.2% over the second quarter.
CECL	Provision for credit losses totaled $3.2 million and was $4.4 million lower than net loan charge-offs.
Investment Securities Gains and Losses	Net securities gains in the current quarter resulted from gains of $13.4 million on sales of mortgage-backed securities coupled with unrealized gains of $2.4 million in the private equity investment portfolio.

[1]See the non-GAAP reconciliation on page 40

PRE-TAX, PRE-PROVISION NET REVENUE (PPNR)

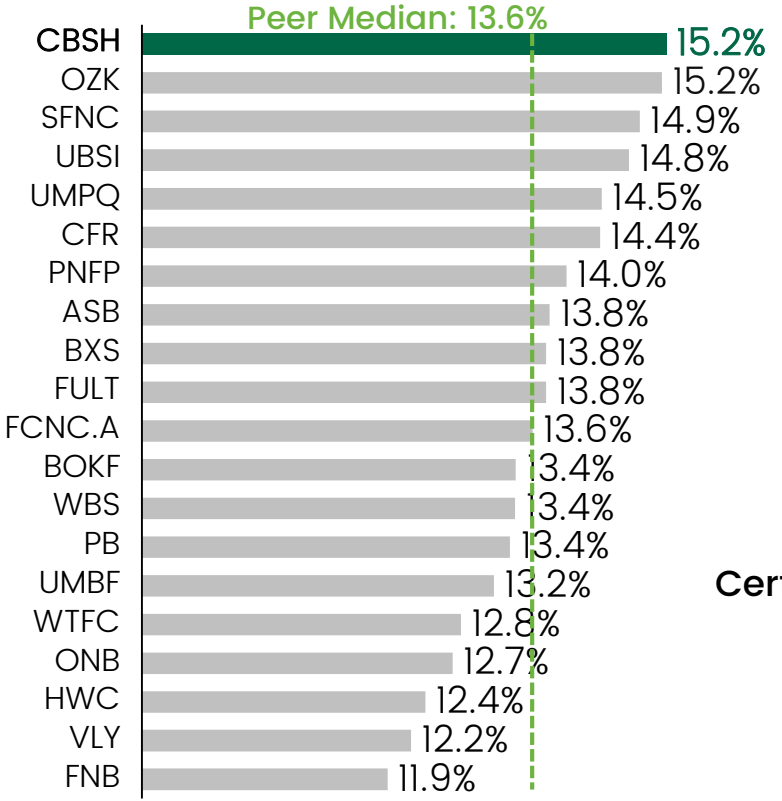


3Q2020 Comparison	
vs. 3Q2019	+6.5%
vs. 2Q2020	+16.2%

See the non-GAAP reconciliation on page 40

SOUND CAPITAL AND LIQUIDITY POSITION

Total Risk-Based Capital Ratio[1]



Loan to Deposit Ratio

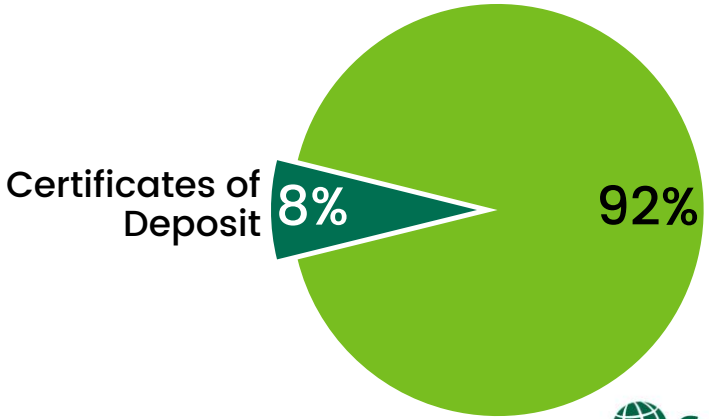
Large, stable deposit base and low loan to deposit ratio

Core Deposits
$23.7 Billion[2]

66% Commerce — Average Loan to Deposit Ratio[3]

86% Peer Average — Average Loan to Deposit Ratio[1]

Total Deposits



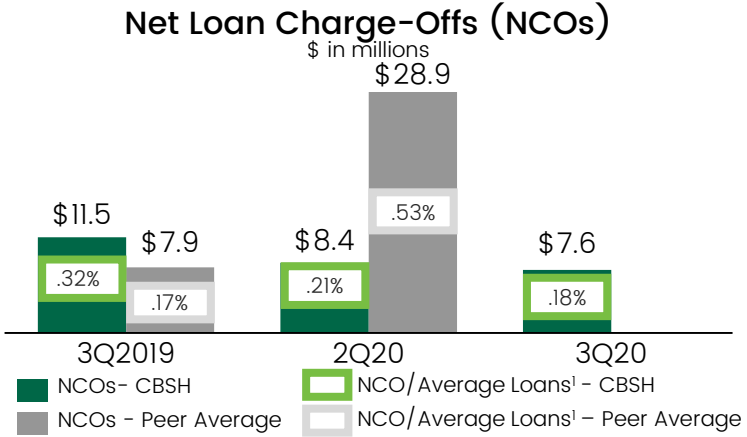
Core Deposits
- Non-Interest Bearing
- Interest Checking
- Savings and Money Market

[1]S&P Global Market Intelligence, Information as of June 30, 2020
[2]Period-end balances, as of September 30, 2020
[3]Includes loans held for sale, as of QTD September 30, 2020

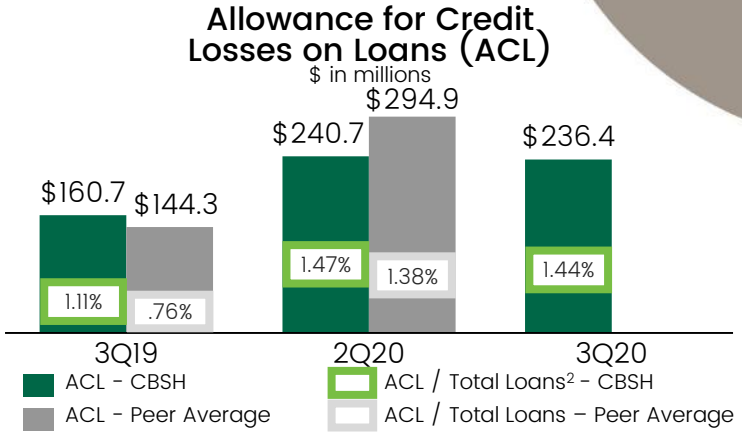
Commerce Bancshares, Inc.

MAINTAINING STRONG CREDIT QUALITY

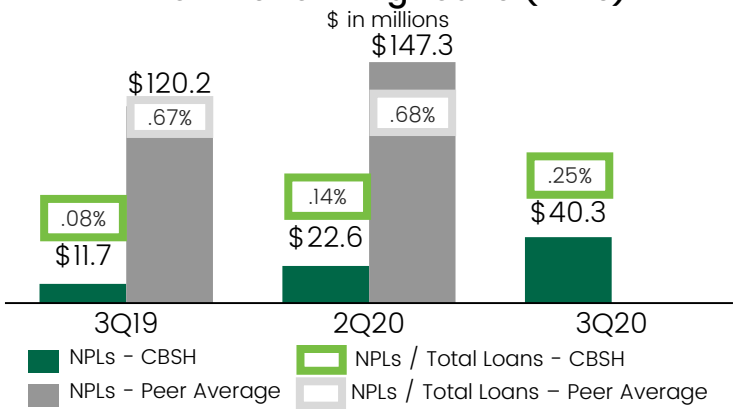
Net Loan Charge-Offs (NCOs)



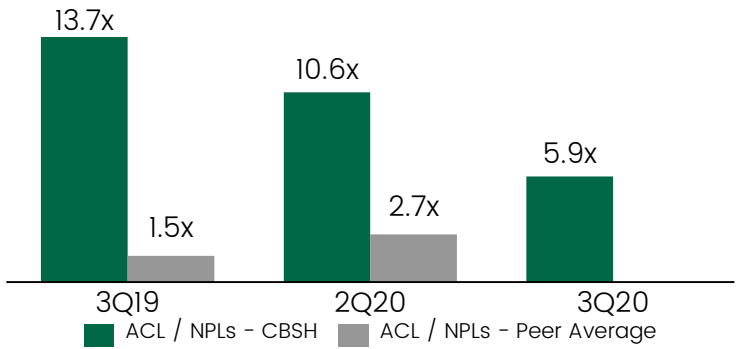
Allowance for Credit Losses on Loans (ACL)



Non-Performing Loans (NPLs)



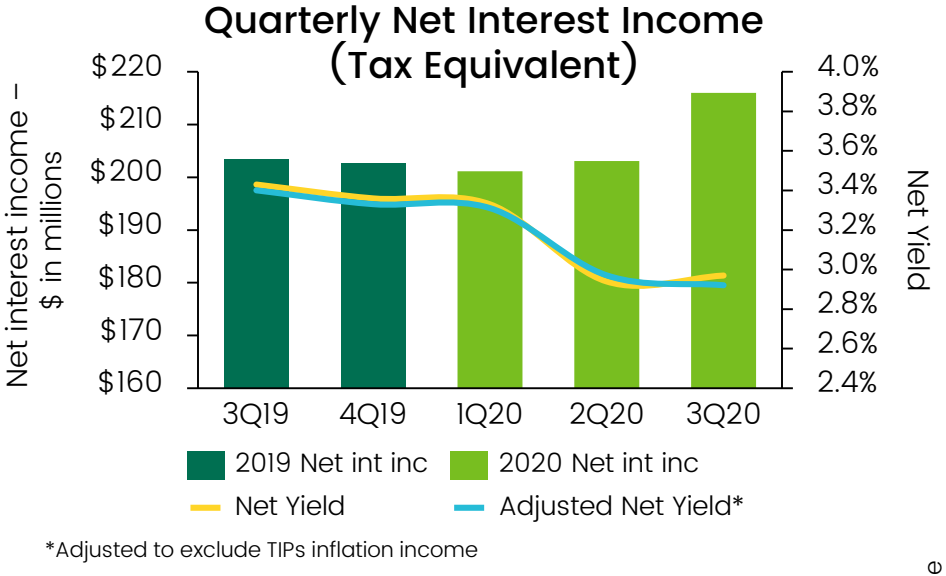
Allowance for Credit Losses on Loans (ACL) to NPLs



Percentages are illustrative and not to scale; Peer Banks include: ASB, BOKF, BXS CFR, FCNC.A, FNB, FULT, HWC, ONB, OZK, PB, PNFP, SFNC, UBSI, UMBF, UMPQ, VLY, WBS, WTFC

[1]As a percentage of average loans (excluding loans held for sale) [2]Excluding PPP loans, allowance for credit losses on loans to total loans was 1.59% and 1.62% as of September 30, 2020 and June 30, 2020, respectively

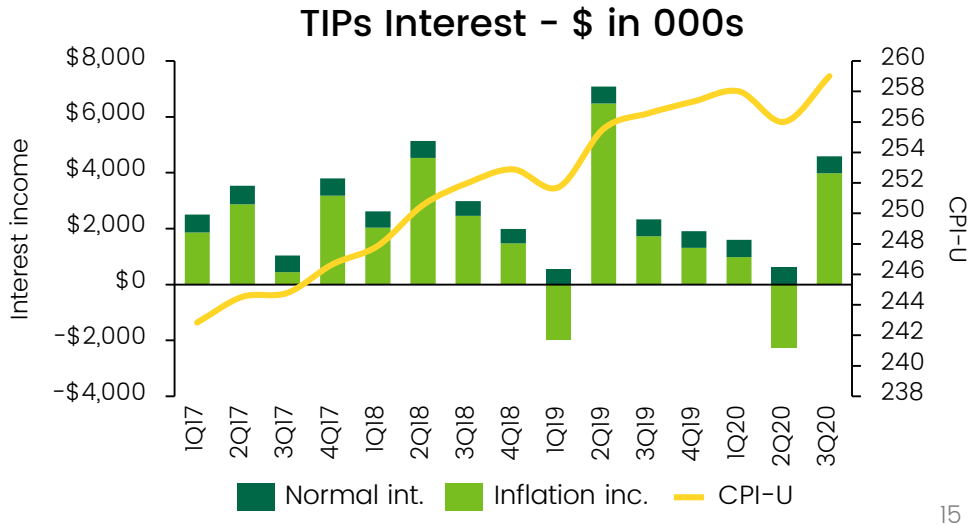
NET INTEREST INCOME: YTD – September 30, 2020



*Adjusted to exclude TIPs inflation income

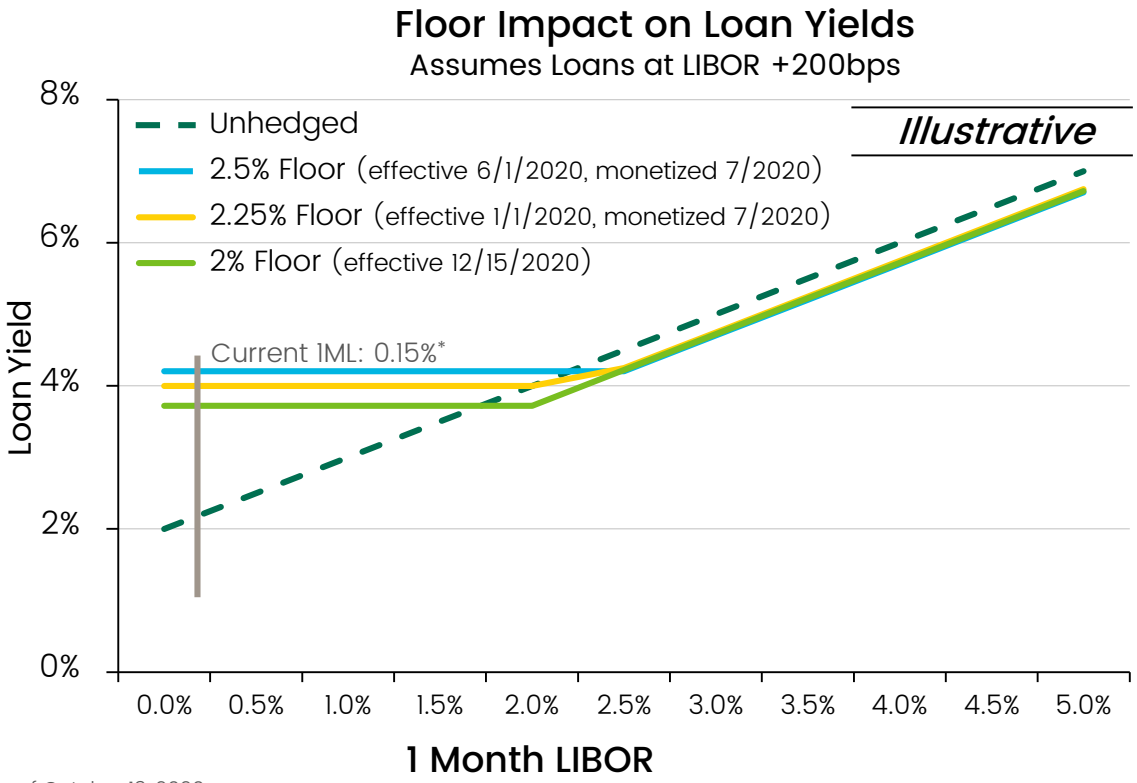
- Net interest income (tax equivalent) increased $12.9 million over the prior quarter, which included growth of $6.3 million in TIPs inflation income.
- The net yield on interest earning assets increased 3 basis points over the previous quarter.
- The increase over 2Q 2020 reflected higher average loan and investment securities balances coupled with lower deposit costs.

Tax equivalent - YTD	2019	2020	Change
Rates earned - assets	3.96%	3.25%	(0.71)%
Rates paid - liabilities	0.69%	0.31%	(0.38)%
Net yield - earning assets	**3.52%**	**3.07%**	**(0.45)%**



NIM PROTECTION

Hedge against lower interest rates by purchasing interest rate floor contracts



Entered into three interest rate floors with a combined notional value of $1.5 billion, to hedge the risk of declining interest rates on floating rate commercial loans indexed to 1 Month LIBOR. Each contract had a term of 6 years.

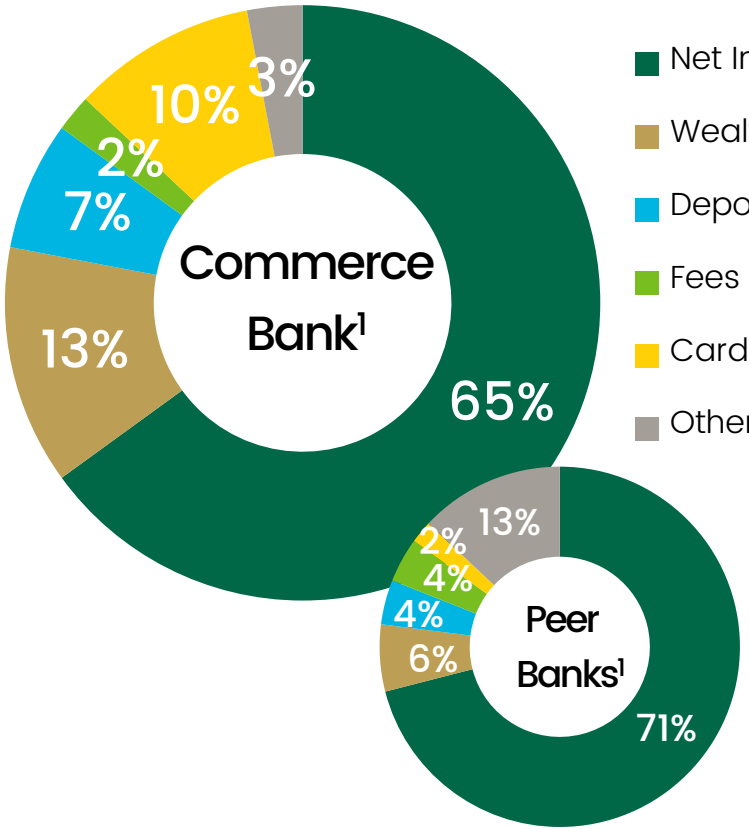
Two floors were monetized in 2020 with **$95 million in gains** to be recognized in earnings through 2026.

*As of October 13, 2020

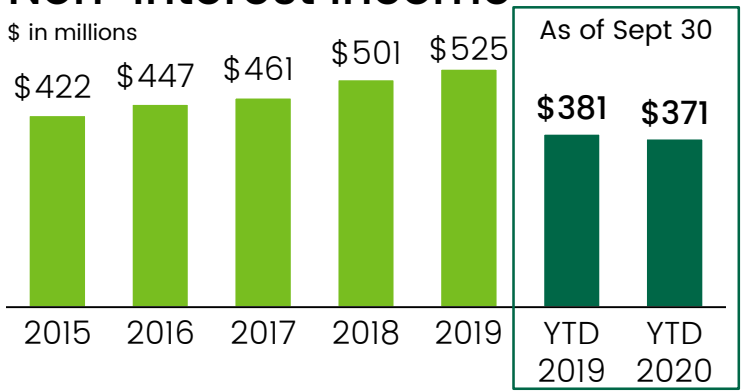
Commerce Bancshares, Inc.

A FULL-SERVICE, DIVERSIFIED OPERATING MODEL

Card, Wealth & Deposit fees provide stable, growing revenue source



Non-Interest Income



Continued focus on growing fee income through new and existing product and service offerings

Examples:

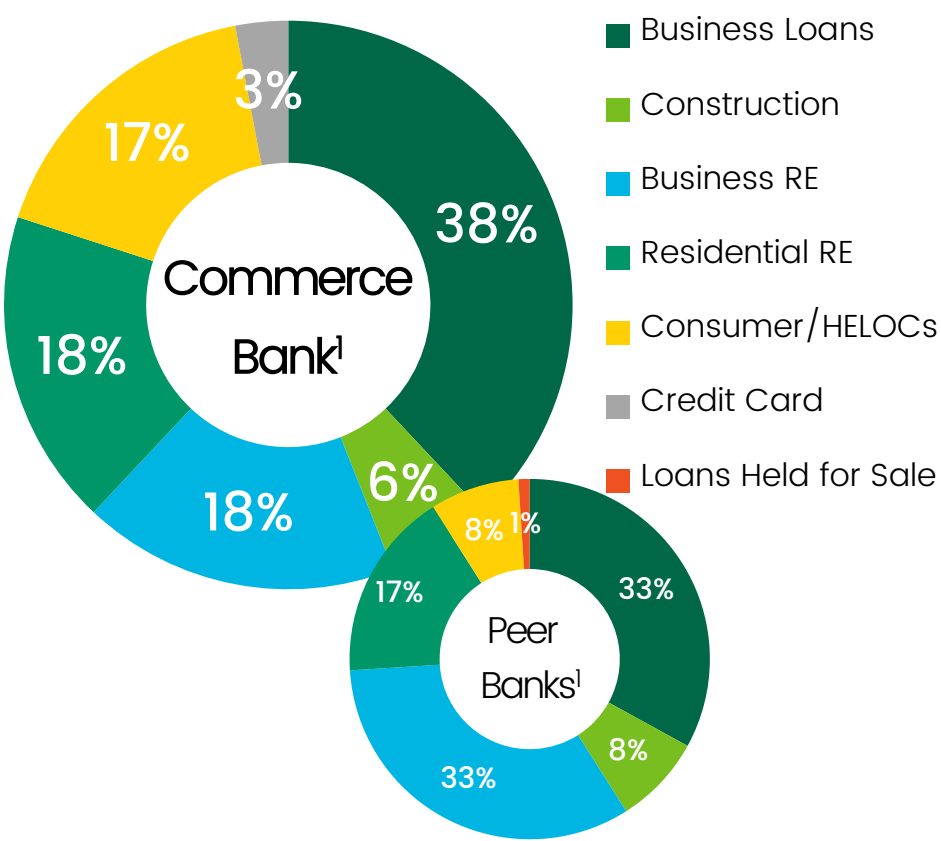
- toggle®
- Remitconnect™
- Claims Payments
- Horizons
- Accounts Payable Automation
- Interest Rate Swaps
- CommerceHealthcare™
- Asset Management

Peer Banks include: ASB, BOKF, BXS CFR, FCNC.A, FNB, FULT, HWC, ONB, OZK, PB, PNFP, SFNC, UBSI, UMBF, UMPQ, VLY, WBS, WTFC

[1]Sources: S&P Global Market Intelligence & FIS as of June 30, 2020

Commerce Bancshares, Inc.

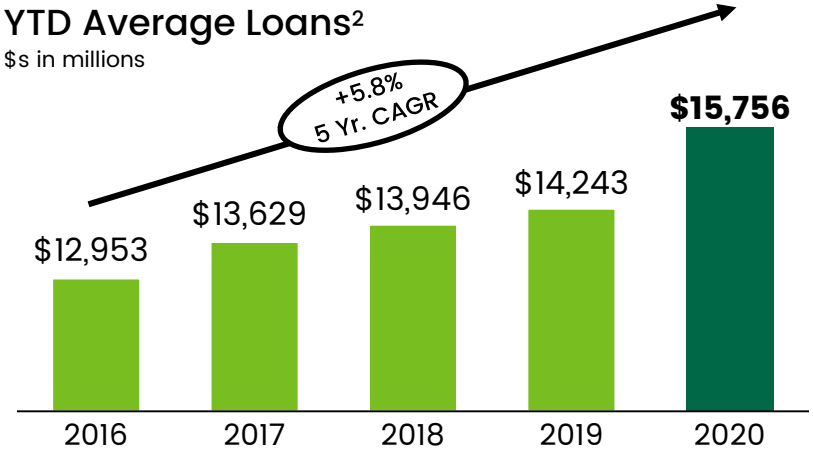
WELL-DIVERSIFIED LOAN PORTFOLIO



- Business Loans
- Construction
- Business RE
- Residential RE
- Consumer/HELOCs
- Credit Card
- Loans Held for Sale

YTD Average Loans[2]

$s in millions



2020 Loan Growth by Category

(Average loans Sept. 2020 vs. Jun. 2020)

Personal RE	↑ $140 million
Business RE & construction	↑ $106 million
Auto/ motorcycle/ other	↑ $48 million
Consumer credit card	↓ $18 million
Business/ lease/ tax-free	↓ $52 million

Peer Banks include: ASB, BOKF, BXS CFR, FCNC.A, FNB, FULT, HWC, ONB, OZK, PB, PNFP, SFNC, UBSI, UMBF, UMPQ, VLY, WBS, WTFC

[1]Source: S&P Global Market Intelligence & FIS as of June 30, 2020

[2]Includes loans held for sale, as of September 30, 2020

Commerce Bancshares, Inc.

PAYCHECK PROTECTION PROGRAM IMPACT AND UPDATE

7,618
Total SBA PPP loans approved

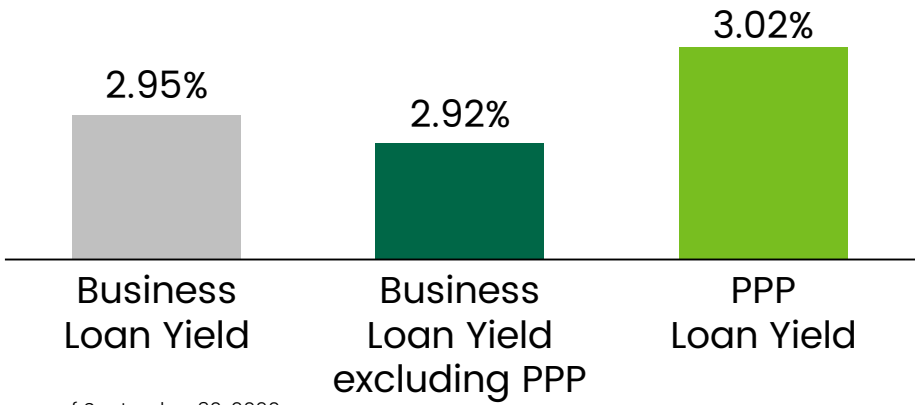
$1.5B
Total SBA PPP secured funding

$206K
Average SBA PPP loan size

$34K
Median SBA PPP loan size

Business Loan Yield

QTD Avg
As of September 30, 2020



AS OF SEPTEMBER 30

- Total PPP loan balance: **$1.5 billion**
- Loan forgiveness application process has started

Information as of September 30, 2020

Commerce Bancshares, Inc.

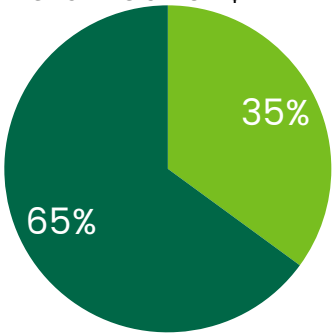
SUMMARY OF FIXED & FLOATING LOANS

Nearly 58% of total loans are variable; 65% of commercial loans have floating rates; mostly tied to a LIBOR index

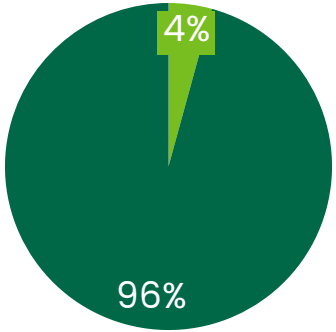


Commercial

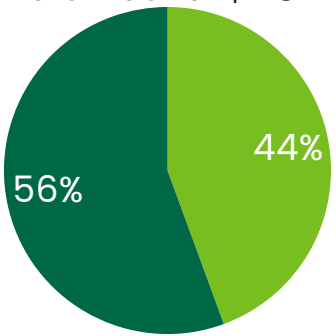
Business
Total Loans: $5.6B



Construction
Total Loans: $0.9B

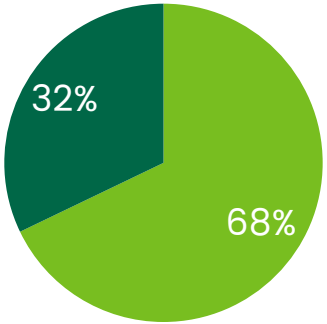


Business RE
Total Loans: $2.8B

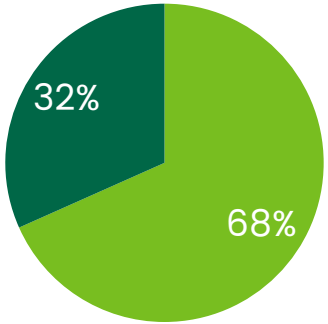


Consumer

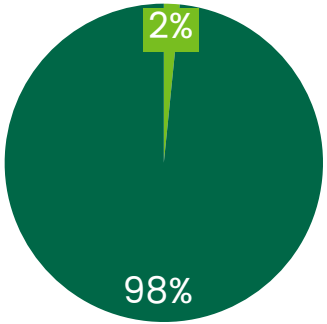
Personal RE
Total Loans: $2.4B



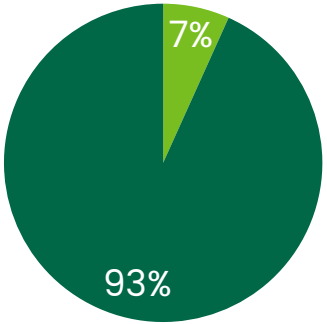
Consumer
Total Loans: $2.0B



HELOC
Total Loans: $0.3B



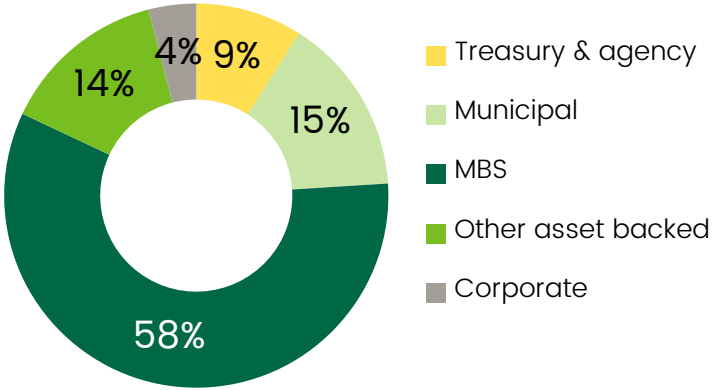
Consumer Card
Total Loans: $0.8B



Source: 2019 10K, as of 12/31/2019

HIGH QUALITY, HIGHLY LIQUID AND DIVERSE INVESTMENT PORTFOLIO

Composition of AFS Portfolio



QTD - September 30, 2020	Avg Rate	Duration (yrs)
Treasury & agency[1]	3.7%	3.0
Municipal	2.5%[2]	5.4
MBS	2.0%	3.1
Other asset-backed	1.9%	1.8
Corporate	2.4%	5.2

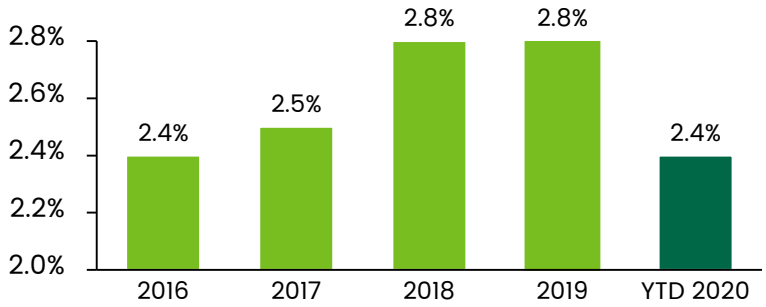
AFS Portfolio as of September 30, 2020

Total average investments[3]	$11.5 billion
Unrealized gain[3]	$368.2 million
12 month maturities / pay-downs	$1.7 billion

Duration

December 2017	3.0 years
December 2018	3.2 years
December 2019	3.0 years
September 2020	3.4 years

YTD Tax Equivalent Rate – Investments[4]



[1]Excludes inflation effect on TIPs; [2]Tax equivalent yield; [3]QTD averages;
[4]Information as of December 31 for prior years; YTD 2020 is as of September 30

Commerce Bancshares, Inc.

IMPACT OF CECL: ALLOCATION OF ALLOWANCE

CECL allowances reflect the economic and market outlook due to COVID-19

	December 31, 2019 Incurred Model		June 30, 2020 CECL Model		September 30, 2020 CECL Model	
$ in millions	Allowance for Loan Losses	% of Outstanding Loans	Allowance for Credit Losses (ACL)	% of Outstanding Loans	Allowance for Credit Losses (ACL)	% of Outstanding Loans
Business	$ 44.3	.80%	$ 89.7	1.31%	$ 78.7	1.18%
Bus R/E	25.9	.91%	23.2	.79%	31.3	1.05%
Construction	21.6	2.40%	17.6	1.89%	18.4	1.83%
Commercial total	**$ 91.8**	**.99%**	**$ 130.5**	**1.22%**	**$ 128.4**	**1.20%**
Consumer	15.9	.81%	24.3	1.24%	18.2	.90%
Consumer CC	48.0	6.27%	76.0	11.39%	79.2	12.23%
Personal R/E	3.1	.13%	7.7	.29%	8.7	.32%
Revolving H/E	.6	.18%	2.1	.63%	1.8	.55%
Overdrafts	1.2	19.51%	.1	2.00%	.1	2.56%
Consumer total	**$ 68.9**	**1.27%**	**$ 110.2**	**1.95%**	**$ 108.0**	**1.88%**
Allowance for credit losses on loans	**$ 160.7**	**1.09%**	**$ 240.7**	**1.47%**	**$ 236.4**	**1.44%**
Liability for unfunded lending commitments	**1.1**		**35.3**		**35.2**	
Total allowance for credit losses	**$ 161.8**		**$ 276.0**		**$ 271.6**	

Methodology and Variables

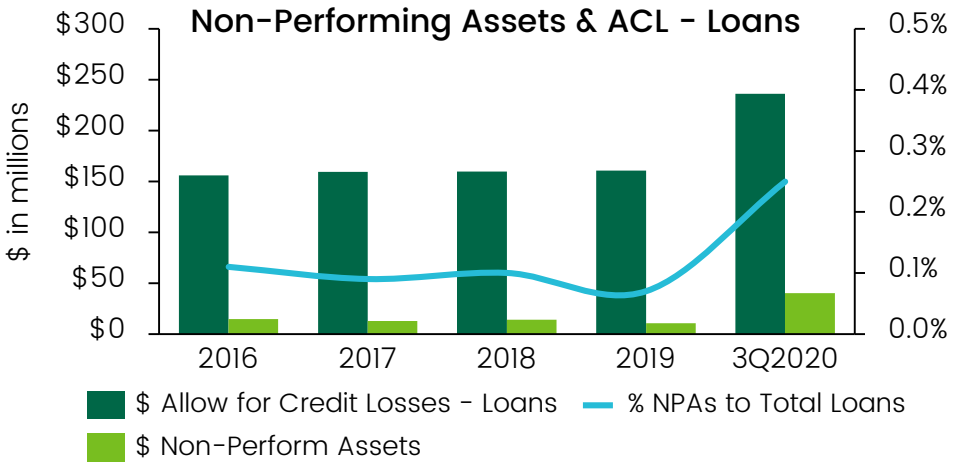
- CECL model utilizes 3rd party baseline forecast
- Key variables include: GDP, disposable income, unemployment rate, various interest rates, CPI inflation rate, HPI, CREPI and market volatility
- Q3 provision for credit loss expense of $3.1 million, includes $4.5 million CECL related reserve decrease

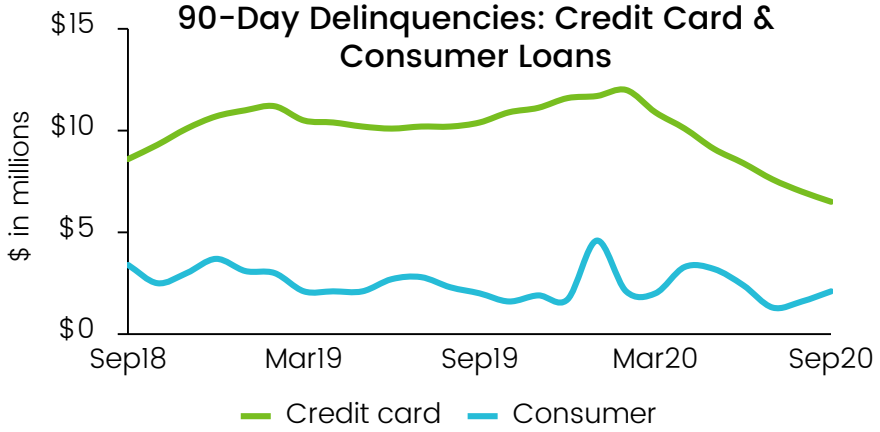
* Note: The Liability for unfunded lending commitments is included in Other liabilities on the consolidated balance sheets.

NET LOAN CHARGE-OFFS: YTD – September 30, 2020

$ in 000s	YTD 2019	YTD 2020	Actual $ Chge	2020 Loss Rate
Business	$ 1,066	$ 3,084	$ 2,018	0.07%
Overdraft	1,016	942	(74)	39.16%
Construction	(117)	(1)	116	0.00%
Business R/E	(95)	(40)	55	0.00%
Personal R/E	50	(273)	(323)	(0.01)%
Consumer	5,716	3,284	(2,432)	0.22%
HELOC	254	(158)	(412)	(0.06)%
Credit card	26,592	20,004	(6,588)	3.93%
Total	**$ 34,482**	**$ 26,842**	**$ (7,640)**	**0.23%**

- Loss rate on credit card loans increased from 2.17% in the prior quarter to 4.47% this quarter.
- Relief program implemented in Q2, which allowed credit card customers to skip payments for 2 months, ended.





COMMERCE AND COVID-19

PROVIDING RELIEF TO OUR CUSTOMERS

Active deferral exposure reduced as pandemic continues

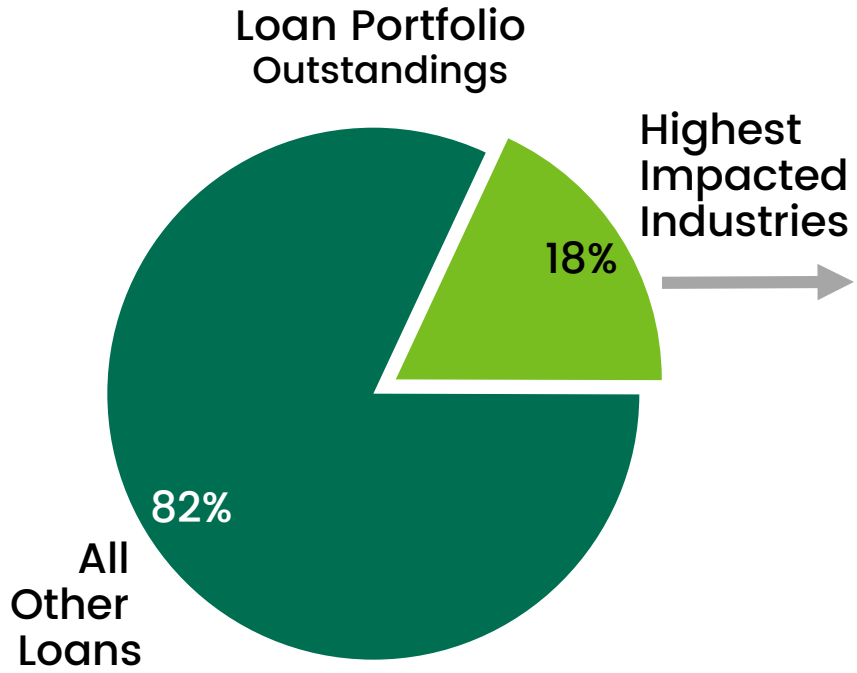
Payment Relief Requests

	Cumulative deferrals[1] through July 16, 2020			Active deferrals[1] as of September 30, 2020		
Loan Type	**Number of Requests**	**% of Portfolio[2] (by $ amount)**	**Total Amount of Requests**	**Number of Requests**	**% of Portfolio (by $ amount)**	**Total Amount of Requests**
Commercial	741	7.8%	$720MM	11	.5%	$48MM
Mortgage	192	1.9%	$48MM	111	1.0%	$25MM
Consumer Card	1,597	1.5%	$10MM	73	.1%	$0.5MM
Installment	3,940	5.8%	$76MM	553	.8%	$11MM
Med/HSF[3]	3,427	4.3%	$9MM	76	.1%	$0.2MM
TOTAL	**9,897**	**6.2%**	**$863MM**	**824**	**.6%**	**$85MM**

[1]Deferrals are defined as modifications, payment deferrals, forbearance agreements, or change in terms
[2] Portfolio as of June 30, 2020
[3] No direct consumer credit exposure.

LOAN PORTFOLIO: LIMITED EXPOSURE TO PANDEMIC-SENSITIVE INDUSTRIES

While we expect nearly every industry to be impacted to some degree by Coronavirus-related disruptions, we have identified eight industries that will be most impacted.



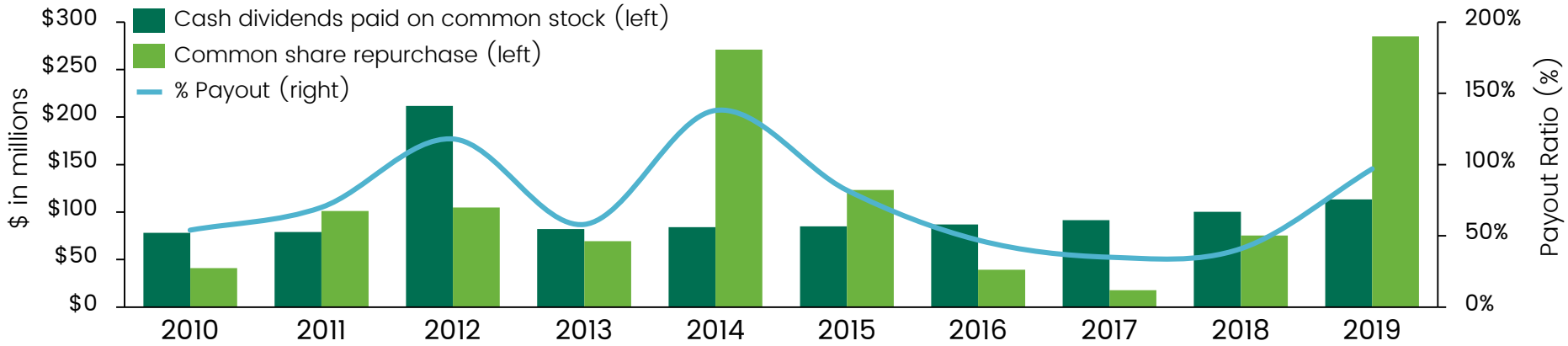
Highest Impacted Industries	$ in millions 6/30	$ in millions 9/30	% of Loan Portfolio 9/30
Hospitals	$757	$758	5.1%
Multifamily / Student Housing	568	608	4.1%
CRE Retail	392	389	2.6%
Senior Living	302	310	2.1%
Hotels	285	291	2.0%
Energy	168	150	1.0%
Retail Stores	136	141	.9%
Restaurants	82	67	.4%
Total	**$2,690**	**$2,714**	**18.2%**

Industry breakdowns represent outstanding balances, excluding PPP loans, as of September 30, 2020, segmented by NAICS codes

STRONG CAPITAL POSITION – FLEXIBILITY IN CAPITAL PLANNING

52 consecutive years of regular common cash dividend increases[1]

Capital Returned to Common Shareholders as a percentage of Net Income[2]



Capital Ratios – 6/30/2020	
Tier 1 common risk-based capital	13.3%
Tier 1 risk-based capital	14.0%
Total risk-based capital	15.2%

- Special cash dividend paid in 2012 totaled $131 million.
- 2014 included $200 million accelerated share repurchase in conjunction with preferred stock issuance.
- 2015 included a $100 million accelerated share repurchase.
- 2019 included a $150 million accelerated share repurchase.
- Common cash dividends increased 10% in 2018, 16% in 2019 and 9% in 2020 (based on 1Q2020 declared dividend).

[1]Based on 1st quarter 2020 declared dividend; [2]Net Income is defined as Net Income Available to Common Shareholders

STRATEGIC POSITION

STRATEGIC POSTURE: MAINTAINING THE BALANCE

STRONG PERFORMANCE with ongoing refinement of the "Core Bank"

- Super-Community Bank platform
- Relationship-based banking
- High-touch customer service
- Full suite of product and service offerings
- Disciplined attention to risk return
- Divest in businesses & activities that no longer provide acceptable returns
- A highly engaged team
- Focus on profitability and shareholder return



Challenge Accepted.®

Disciplined focus on **PRIORITY BLUE CHIP** investments

- Diversity, Equity and Inclusion
- Develop Claims Payment
- Accelerate Growth in Healthcare
- Enhance Consumer Digital
- Accelerate Expansion Market Growth
- Retain and Grow Mass Affluent Households
- Enhance Enterprise Customer Relationship Management (CRM)
- Implement Transform 360
- Enhance the People Experience

Commerce EDGE

...emphasis on culture, collaboration and core values

GROWTH MINDSET: CONSUMER BANKING

Enhancing the Customer Experience

Engaging with customers through the channels they prefer.

- Technology investments
- New engagement programs
- Enhanced product offerings
- Improved operating model



CommercePremier



Branch Design



Advanced ATMs



Video Advisors



CARA



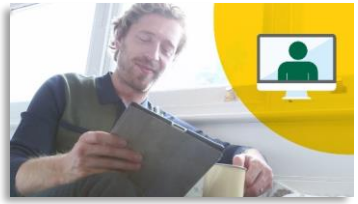
Exploration Centers

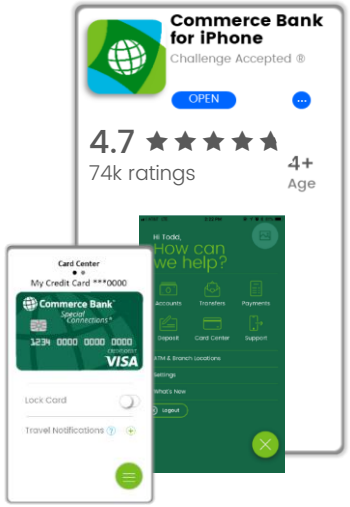
Consumer Digital Business

Evolving our digital experiences to meet our customers' expectations.

- Digital Mortgage application
- CommercePremier user interface
- Mobile push notifications, improved alerts management
- Pilot Appointment setting solution







GROWTH MINDSET: INTERNAL INNOVATION AT COMMERCE

TOOLS

<HACKATHON/>

Internal software development events to rapidly build, test, and promote new products or services for both internal and external customers.

innovation

Commerce's commitment to promoting an innovative mindset, from everyday incremental improvement to transformative changes in the way we do business.

AGILE

As innovation and technology rapidly drive change, our customers' needs and expectations continue to evolve. AGILE enables our organization to meet this disruption head on.

KEY PROJECTS

Insight 360

Commerce's implementation of a single, integrated Customer Relationship Management (CRM) platform that will enable commercial business lines to improve sales, service, and fulfillment interactions with clients.

COMMERCIAL TOM

Target Operating Model (TOM) is an initiative to help Commerce design a future operating model across people, process, and technology to simplify processes, drive consistency, and improve efficiencies in a way that can best support the commercial lending model and customer experience.

CARA

Customer Advising & Referral Assistant (CARA) is a guided conversation tool that helps us better understand our customers' needs, make consistent recommendations, and free up time to concentrate on building relationships with our clients.

salesforce TRUST CRM

Commerce Trust Company's implementation of a Customer Relationship Management (CRM) platform to improve sales, service levels, and fulfillment interactions with clients.

Transform 360

A Bank-wide project to replace the existing mainframe core system with a new and modern solution.

Commerce Bancshares, Inc.

CONSUMER BANKING SNAPSHOT

$10.4 BILLION Consumer Deposits

$4.2 BILLION Consumer Loans*

1.1 MILLION Consumer Households*

164 Full-service branches

366 ATMs



Focus on Digital

Commerce Bank App Rating

4.7 ★★★★★

4.7 ★★★★★

Digital HH Penetration

46%

Digital Loan Sales (000s)

$42,755

Mobile Deposit Use

13%

Period end balances, information as of December 31, 2019; App store rating as of 1/15/2020
*Excludes Trust Company / Private Banking households

Commerce Bancshares, Inc.

Commerce Trust Company

Wealth | Investments | Planning

For high net worth individuals who are looking to simplify their complex financial life, Commerce Trust Company provides a full-service approach to wealth management.

20TH Largest Among Bank-Managed Trust Companies[1]

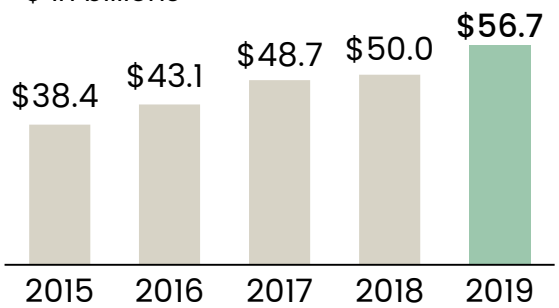
$57 BILLION Total Client Assets[2]

$34 BILLION Assets Under Management

$539 MILLION Managed Brokerage Assets

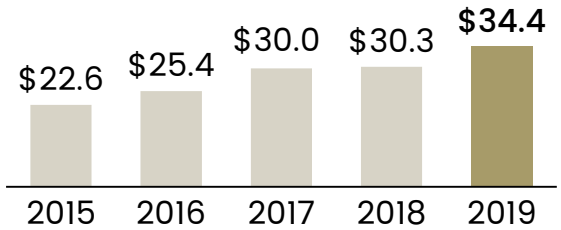
Total Client Assets[2]

$ in billions



Assets Under Management

$ in billions



Key Growth Initiatives

- Implement new Private Banking Lending Program
- Accelerate growth of Mass Affluent households
- Implement enhanced sales process with new Client Relationship Management system
- Expand the CTC brand
- Enhance the digital client experience
- Invest in team training and onboarding resources

Period end balances, information as of December 31, 2019

[1]S&P Global Market Intelligence ranking as of 12/31/2019, based on assets under management [2]Assets under administration

COMMERCIAL BANKING

Revenue growth opportunities

Financing solutions – options for all sizes and types of businesses

- *Working Capital Lines of Credit*
- *Term Financing*
- *Construction & Real Estate Loans*
- *Equipment Financing*
- *International Financing*
- *Employee Stock & Ownership Financing*
- *Tax-exempt Financing*
- *Government Lending Programs*
- *Interest Rate Swaps*
- *Floor Plan Lending*

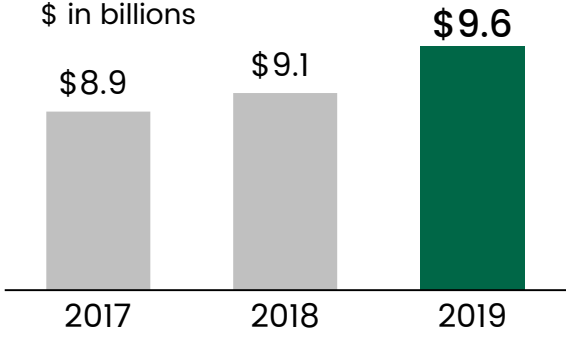
$9.6 BILLION Commercial Loans

$8.1 BILLION Commercial Deposits

$547 MILLION Commercial Revenue

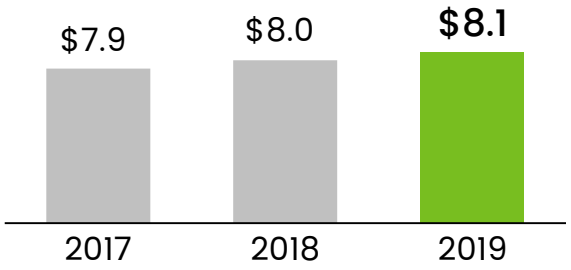
Commercial Loans

$ in billions



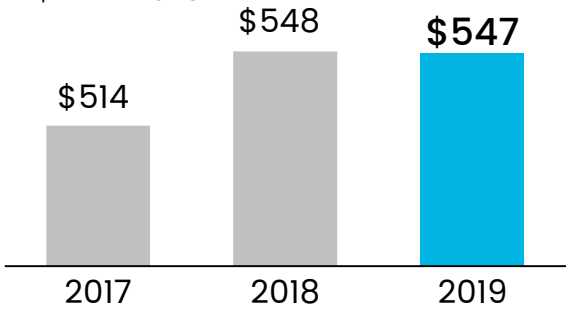
Commercial Deposits

$ in billions



Commercial Revenue

$ in millions

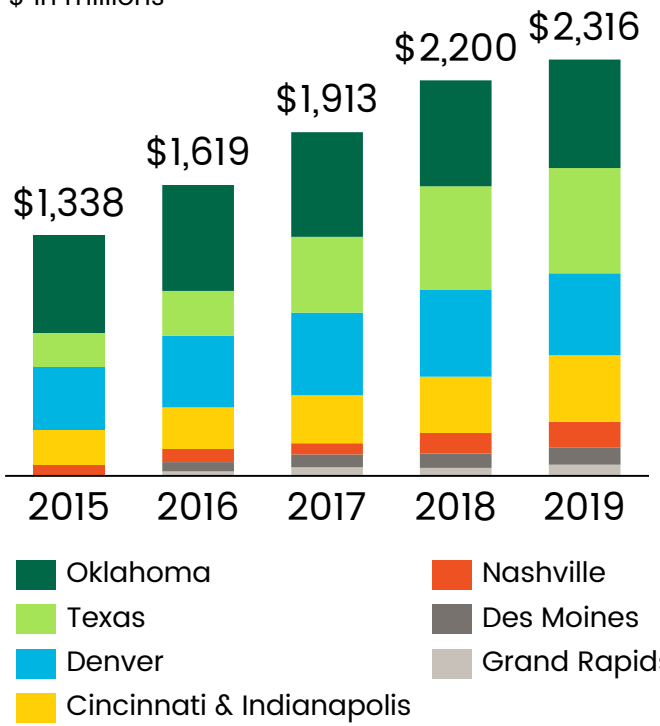


Commercial segment as of December 31, 2019

COMMERCIAL BANKING – EXPANSION MARKETS OFFER GROWTH OPPORTUNITIES

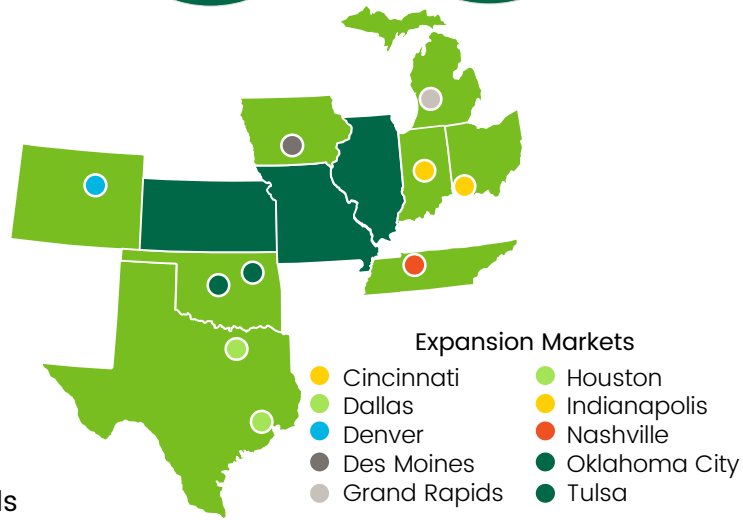
Expansion Market Loan Growth

$ in millions



Expansion Market Loan Growth ↑98% since 2015

Fee Income Growth ↑89% since 2015



Team Overview for Expansion Markets

of team members per market (includes open positions)

	2012	2019
Oklahoma	31	52
Texas	3	23
Denver	41	47
Cincinnati/ Indianapolis	11	13
Nashville	3	6
Des Moines	0	3
Grand Rapids	0	2

Period end balances as of December 31, 2019

Commerce Bancshares, Inc.

INDUSTRY-LEADING COMMERCIAL PAYMENTS CAPABILITIES

Innovative payments solutions to manage payables and receivables to streamline cash flow



$177 MILLION	Payments Revenue
$47.7 MILLION	Treasury Management Revenue
$9.1 BILLION	Commercial Card Volume
$6.2 BILLION	Merchant Volume

Key Verticals

CommerceHealthcare®

Tailored return on investment-based solutions enable healthcare providers to enhance the patient experience, improve cash flow, and leverage new opportunities in everyday processes.

Claims Payments

With the help of our insurance advisory council, Claims Payments was built for the industry with the input of insurance experts. We help insurance companies provide faster payments to their customers.

Information as of December 31, 2019

CARD PRODUCTS – A LEADER AMONGST TOP 50 U.S. BANKS

Consistently ranked among the top issuers in the Nilson Report

#12	#7	#12	#12	#19	#14
Commercial Card Issuer	Purchasing[1] Card Issuer	Bank Acquirer	Consumer Card	Debit Card	Prepaid Card

A full suite of innovative card and payment product offerings

- Health Services Financing
- Claims Payments
- Multi Account Chip
- Co-Brand
- toggle®
- Prepaid Expense
- Contactless Visa® Debit Card Early adopter









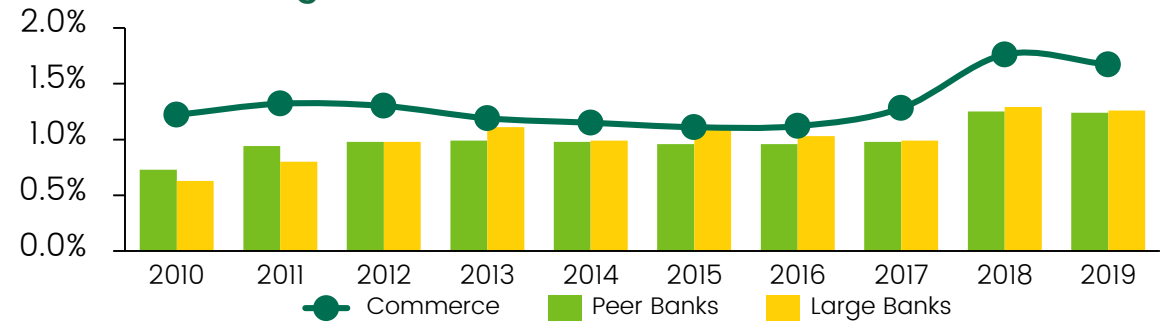


[1]Includes fleet cards

Source: Nilson Reports (Debit: April 2019; Consumer Card: February 2019; Prepaid: July 2019; Merchant: March 2019; Purchasing: June 2019; Commercial Card: June 2019), based on the top 50 U.S. banks ranked by total assets as of 12/31/2018, S&P Global Market Intelligence

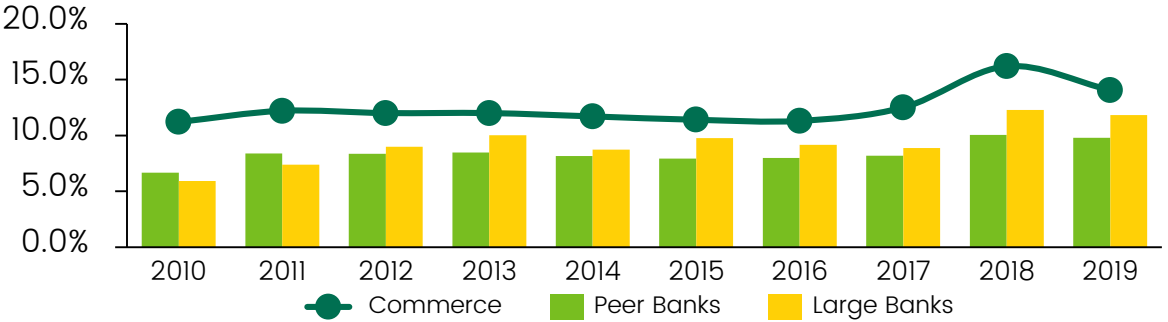
COMMERCE BANK MAINTAINS SOLID PERFORMANCE OVER TIME

Return on Average Assets



ROAA 10-yr average
CBSH: 1.31%
Peers: 1.00%

Return on Average Common Equity



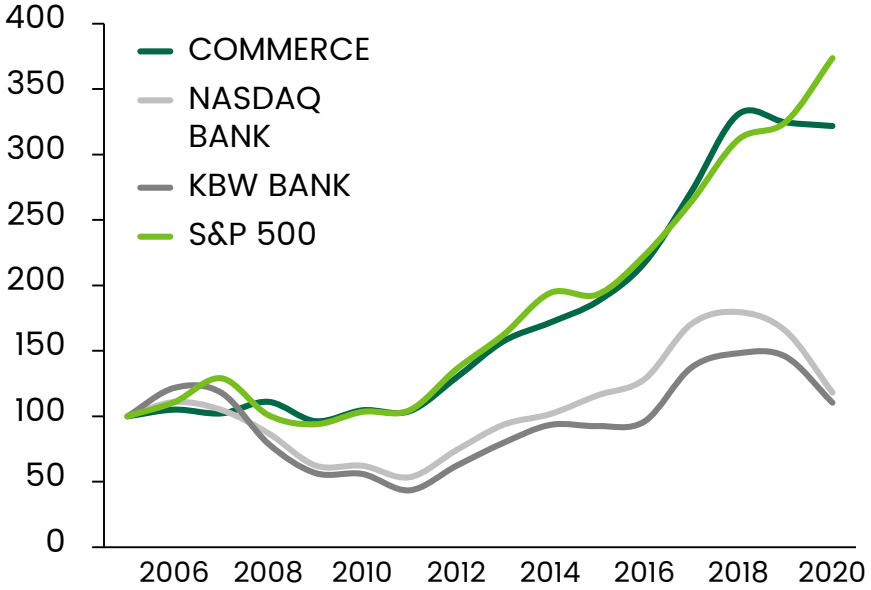
ROACE 10-yr average
CBSH: 12.4%
Peers: 8.4%

Peer Banks include ASB, BOKF, BXS, CFR, FCNC.A, FNB, FULT, HWC, ONB, OZK, PB, PNFP, SFNC, UBSI, UMBF, UMPQ, VLY, WBS, WTFC
Large Banks include: JPM, BAC, C, WFC, USB, PNC, FITH, RF
Sources: S&P Global Market Intelligence and company reports and filings as of 12/31/2019

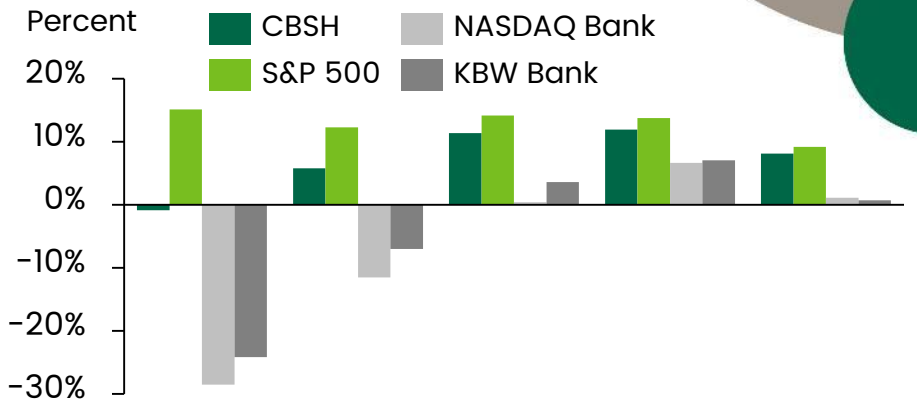
Commerce Bancshares, Inc.

STEADY SHAREHOLDER RETURNS
as of September 30, 2020

Total Shareholder Returns
Indexed, 09/30/2005 = $100



Annualized Comparison Total Shareholder Returns



	1 Year	3 Year	5 Year	10 Year	15 Year
CBSH	-0.9%	5.8%	11.4%	11.9%	8.1%
S&P	15.1%	12.3%	14.1%	13.7%	9.2%
NASDAQ BANK	-28.6%	-11.5%	0.4%	6.6%	1.1%
KBW BANK	-24.2%	-7.0%	3.6%	7.0%	0.7%

Consistent, positive returns to shareholders
Significant outperformance relative to banks over long period

Source: Bloomberg; data as of 09/30/2020

NON-GAAP RECONCILIATIONS

Pre-tax, Pre-provision Net Revenue

	(DOLLARS IN THOUSANDS)	For The Three Months Ended Sept. 30, 2020	June 30, 2020	Sept. 30, 2019
A	Net Interest Income	$ 215,962	$ 203,057	$ 203,512
B	Non-Interest Income	$ 129,572	$ 117,515	$ 132,743
C	Non-Interest Expense	$ 190,858	$ 187,512	$ 191,020
	Pre-Provision Net Revenue (A+B-C)	**$ 154,676**	**$ 133,060**	**$ 145,235**

Investor Relations

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Commerce Bancshares, Inc. Investor Relations website:
http://investor.commercebank.com/

Commerce Bancshares, Inc.

Embracing a Growth Mindset

Commerce Bancshares, Inc.